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SUBJECT: ANNUAL OECD/NEA MULTILATERAL NUCLEAR ENVIRONMENT PROGRAM  
IN RUSSIA (MNEPR) COMMITTEE MEETING

#### Summary

1. (SBU) The annual OECD Nuclear Energy Agency (NEA) Multilateral Nuclear Environment Program in Russia (MNEPR) Committee Meeting took place May 13 in Moscow. Russian officials reviewed the status of the new Rosatom State Corporation. Participants also reviewed the Strategic Master Plan for Northwest Russia and the status of MNEPR projects. Italy accepted the invitation for membership. As projects in Northwest Russia near completion, the focus of MNEPR may shift to the Russian Far East. End Summary.

#### Donors Pre-Meeting

2. (SBU) The annual OECD NEA MNEPR Committee Meeting was held at the President Hotel in Moscow on 13 May. A donors pre-meeting was held the evening before at the Swedish Embassy, hosted by the donors' Co-Chairperson, Anders Nystrom. Donors noted no major problems with the Russian side; in previous meetings, donors had raised issues related to access to sites and documents. Julia Schwartz, Head of NEA Legal Affairs, noted that the MNEPR Secretariat was running out of funding. Norway had provided most of the funding for the Secretariat during MNEPR's decade in existence, and the Norwegians had recently notified the Secretariat that they were no longer in the position of being able to do so. MNEPR members were asked to respond; and Russia would also be requested to donate during the Committee Meeting.

3. (SBU) The tenth annual MNEPR Committee meeting opened with the election of the Co-Chairpersons for the coming year. Elected was Nystrom of Sweden for the donors and Evgeniy Evstratov, Rosatom Deputy General Director, for the Russian side.

#### Status of Rosatom State Corporation

4. (SBU) Evstratov provided a status report on the reorganization of Rosatom, the former Russian Atomic Energy Agency which is being transformed into Rosatom State Corporation. A Presidential Decree had established Rosatom State Corporation, but the Agency Rosatom will not entirely stand down until the end of 2008. Former head of Agency Rosatom Kiriyeenko had moved over to Rosatom State Corporation, as had many of the senior leadership. The remainder of the organization would move over through the coming year, although not all Rosatom employees would be guaranteed a position in the new State Corporation.

5. (SBU) The legal status of the new State Corporation is still evolving, according to Evstratov. President Putin had signed a law in December 2007 converting Rosatom from a federal agency to a State

corporation, but there is still considerable work to be accomplished in the restructuring. In particular, the EU representative and legal counsel were concerned regarding the transition, as they were expecting to finalize three assistance agreements in the near future.

#### International Agreements

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¶6. (SBU) Evstratov noted that the Russian Government was conducting a review of all international agreements before the diplomatic notes regarding Rosatom civil international agreements could be issued by the MFA. He stated that it was expected that all international civil nuclear agreements now in place with the Agency Rosatom would remain in place with Rosatom State Corporation. He provided further details on the reorganization - not only would Rosatom State Corporation take over the duties of the federal agency, but it would also take over the Russian nuclear icebreaker fleet. He offered that the new entity would be composed of three main categories: nuclear fuel cycle and electricity generation; the nuclear weapons complex; and nuclear radiation safety.

¶7. (SBU) Evstratov stated that the Russian nuclear regulatory agency, Rostekhnadzor, would remain separate from the new Rosatom State Corporation. The Ministry of Foreign Affairs would have the same responsibilities in regard to the MNEPR Agreement as it did in the past.

#### Relations among Nuclear Risk Programs in Russia

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¶8. (SBU) Simon Evans, the UK Representative, provided an analysis of the relationship among nuclear risk programs in the Russian

Federation. He characterized the G8 Global Partnership as being the "political framework" for nuclear safety, security and non-proliferation. MNEPR is the "legal framework" and while it applies to nuclear safety, it could be expanded to security. It sets a sound standard, and is limited to the Russian Federation. The IAEA Contact Expert Group (CEG) was characterized as being the "technical framework" that promotes co-operation in Northwest Russia and the Far East regions. The CEG facilitates co-operation and helps avoid duplication of tasks. He noted that the role in Northwest Russia was becoming "mature" and that the CEG was not limited to that region but to the entire Russian Federation. The G8 Global Partnership, MNEPR and the CEG are interrelated to some degree and share similar goals.

#### Nuclear Submarine Decommissioning

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¶9. (SBU) Ashot Sarkisov (Russian Institute for Nuclear Energy Safety) provided a review of the "Strategic Master Plan (SMP) for Decommissioning the Retired Russian Nuclear Submarine Fleet and Environmental Rehabilitation of its Supporting Infrastructure in Northwest Russia." This is the guideline, funded by the EBRD, for the Russian Federation to follow in decommissioning its submarines and reducing the radiation hazard posed by the retired facilities and waste. The SMP development was a step toward the implementation of the Global Partnership Program approved at the Kananaskis Summit in 2002. He indicated that a similar, but different SMP would be required for the Far East. (Note: At a CEG Meeting in June 2007 in Vladivostok, Sarkisov and other Russian officials had opined that the Northwest Russia SMP would be employed as a basis for a SMP for the Far East. It now appears that the Russians will develop an entirely separate SMP for the Far East.)

#### Membership

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¶10. (SBU) The MNEPR Secretariat reviewed the status of potential membership. Italy and Canada had been invited to join as full members and Australia, Japan and South Korea had been invited to observer status. Italy had accepted the invitation, and a member of the Italian Embassy in Moscow attended the meeting. Canada had declined to join, citing its present extensive bilateral agreements in the field with Russia. Nothing had yet been heard from Australia, though it was noted that its CEG assistance to Russia has

been provided through Japan. South Korea also had yet to respond and Japan had declined, also citing its own mechanisms. However, it was revealed during the meeting that Japan had indicated through channels that it would become a member of the CEG (it had been an observer until this point).

#### Shift to Russian Far East

¶11. (U) A tour de table on assistance projects revealed that the UK, France, Germany, Norway and the EU still had ongoing projects in Northwest Russia. The Netherlands, Italy, Denmark had no further ongoing projects and Sweden had a few small projects related to nuclear waste. Alain Mathiot, the CEG Representative noted that by the 2010/2012 period, CEG-sponsored projects in Northwest Russia would be completed. This would lead to a renewed focus on the Russian Far East; he also emphasized that there was no geographical limit within Russia for CEG projects. For both MNEPR and the CEG, it appeared that projects for Northwest Russia were gradually winding down to completion, with relatively fewer new start-ups, and that the focus of international co-operation in the area of spent nuclear fuel and radioactive waste management would be shifting to the Russian Far East.

¶12. (U) The United States noted the pending (21 May 2008) deposit of its instrument of ratification to the Convention on Supplementary Compensation for Nuclear Damage (CSC). While the U.S. has not been able to sign the MNEPR Protocol on Claims, Legal Proceedings and Indemnification, the ratification of the CSC was a significant step regarding liability. Russia was encouraged to follow the U.S. in ratifying the CSC.

¶13. (U) The meeting adjourned with the note that the next MNEPR Committee Meeting would be held in Paris during the April/May period.

RUSSELL